

### DILMAR'S REPORT.

Sis: From the foundation of the government of the United States to the year 1846, was, with occasional exceptions, an era of what were deemed at the time high or protective tariffs. From 1846 to 1861, was an era of what were deemed at the time low or revenue tariffs. In the first era, the object was protection—the incident, revenue. In the second era, the object was revenue—the incident, protection. The relative prosperity of the country during these two eras, or during certain portions of them, has commonly been used as evidence of the practical benefit flowing from one or the other of the two systems of tariff allied to them. But when with the amount of our foreign trade is contrasted the vastly greater amount of our internal traffic; when, in a word, it is known that our annual export trade has, at least since 1840, never amounted in

value to one-fourth of our annual product of raw materials alone, and averaged scarcely one-fifth,\* while, as compared with the gross annual product of our industries it has scarcely exceeded five per cent.,† the conclusiveness of this argument, so far as experience goes, may well be questioned.

It is sufficient for the purposes of this report, first, to merely briefly mention what dangers even this slight basis of

ternately prevailed in this country, and what views are at present held.

From 1861 to the present time has constituted an uninterrupted era of high or protective tariffs; and so many articles are made dutiable, so many changes have been made in the rates of duty since 1861, so extremely high are these rates, and so complex are many of them, as to demand the attention of the statistician to the working of such a system, its effect upon the consumption of imported commodities.

its effect in defeating the interests of domestic manufacturers, its effect upon the revenue, and, finally, such other marked effects as may appear to have flowed from it. The number of articles subject to duty at the present time, according to Ogden's Tariff, is over 3,000. A large proportion of these, however, consists of classes of articles. For example, 4 articles more

&c.; "Manufactures, N. O. P.;" "Raw Materials, N. O. P.," each of which classes themselves, embrace a large number of separate articles; so that the whole number of separate articles upon which import duties are imposed at the present time, is probably upwards of 10,000.

The number of changes made in the tariff since 1861 are as follows:

Act of March 2, 1861, changed the whole schedule

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Act of December 24, 1861, changed duties on tea, coffee, sugar, &c.

Act of July 14, 1862, changed the whole schedule.

Act of March 3, 1862, changed duties on silk, printing paper, lac, polishing powder, washing dye, coal oil, &c.

Act of June 30, 1864, changed the whole schedule.

Act of March 3, 1865, changed duties on wottons, liquors, silks, railroad and tubing iron, coal oil, tobacco, quillsilver, &c.

Act of May 16, 1866, changed duties on live animals, &c.  
 Act of July 28, 1866, changed duties on cigars, rotton, and liquors, and changed the basis of all foreign valuations, &c.  
 Act of March 2, 1867, changed duties on wool, all dry goods, carpets and clothing into which wool enters, on hemp, oil clothe, oil silks, &c.  
 Act of July 20, 1868, changed duties on sugars, &c.  
 Besides several minor acts and parts of

judicial, departmental and others. Of these numerous legislative changes, however, the principal ones are those of 1861 and 1864.

In illustration of the complexity of many of these duties, it may be stated that the duties on Balmoral skirts are levied per pound; the same on wool hats, and most other woollen fabrics; that the

duties on steel vary according to value, but so much per cent. ad valorem, and in addition, so much per pound specific; that the duties on iron wire are graduated according to a variety of qualities and gauges; that the duties on cotton goods are graduated according to the number of threads to the square inch, the value, the texture, and the color classified in various

combinations; that the duties on Muscovado sugars are levied according to a clayed standard, and that in some cases "differential," "discriminating," and "additional" duties are imposed, to render complexity still more perplexing.

From this complexity has resulted so much practical difficulty in the business of

much dispute about the proper rates to be levied upon importations, as to have created the necessity for additional officers of the revenue, some of whom are obliged to be stationed abroad, for additional safeguards against under-valuation and smuggling; and have given employment to a large class of persons not connected with

the Government, whose whole business is to act as brokers or *entrepreneurs* between the importers and the Custom-house officials. Nor have these results stopped here; but still another class of persons has been called into existence, whose business it is to interfere between the recommendations of the Executive Department

ence the frequent enactment and amendment of revenue laws, with the object of profiting thereby, either through the control of trade monopolies or from the possession of early information of anticipated changes in the law. Such has already been the success of these persons that they now form wealthy and powerful com-

omations, impatient of all restraint, and intolerant of all interference with their plans. All who stand in their way are attacked with fury, and either through friendship or fear, even the officers of the executive departments are brought within the range of their influence, and constrained to follow a course of action conformable to the wishes of these combined

tions and in their interest, and contrary to the public welfare and to the interests of the people. The odious combinations that profit by the internal revenue laws, are more than matched by the still more odious combinations that profit by the tariff laws, until at last it has become almost as much as the official positions of

\* Annual Report of Director of Bureau of Statistics.

† For Export Trade see *ibid.* p. 31, and for value of Total Annual Product, see *International Almanac*, (New York, 1896), p. 56.

proof of this fact is the main object of this report, and it is impossible to see how the evidence can be successfully impugned. The quantities shown in the tables, and those upon which the duties were paid, are the actual quantities, and the quantities and the combined amount of the latter with the cash received into the Treasury. The quantities are not merely approximate—they are exact; and here the matter might rest altogether. But the statistics furnish other and less important but very interesting results. It is observed that though increased rates of duty failed to destroy importation, yet there is nevertheless, an interval which follows the im-

of protection of the market. The more, during which the importation is temporarily checked by the law. The one is a result, the other an incident and the objection applies only to the incident, which is unimportant, and is merely interesting for the reason that it is some times mistaken for the result.

It is what occurs in this temporary interval — is this incident, that is made the ground of a permanent policy, while what follows as a permanent result, viz. : the defeat of the attempted protection, is not perceived, or if perceived, ignored. Many manufacturers are delusively led to believe that an increase of a tariff will cause them a monopoly of the domestic market, and are thus induced to contribute largely to support combinations having or professing to have this object in view, and the influence to secure it. The combination exerts itself in procuring the passage of the law

profit, by having pumped this source of profit dry, bequeaths it to the manufacturer, whose brief and second-hand enjoyment of it is soon interrupted by a rise in the wages of his workmen, and afterwards destroyed by the recurrence of the same relative position in the market prices of his goods. He is thus left with the loss from which he sought relief by this wholly ineffectual and delusive agency.

The manufacturer suffers; the workmen are impoverished, for they rarely obtain an advance of wages exactly equal to the advance in the cost of living which the increase of tariff has occasioned. The manufacturer is thus directly and indirectly impoverished in a thousand ways, and nothing comes of it but profit to the combination, and a popular delusion which has been dignified by the name of a system, and falsely entitled Protection to Home Industry. The rest is mere waste; social friction; syphilism.

To recur to the comparison of 1861 with 1864, the first year of the first temporary

beck to importation during the period 1861 to 1867, inclusive. [It may be stated in this connection, that the imports under the Reciprocity Treaty—mainly live animals, grain, provisions, lumber, and other products of the forest—are omitted from any of the comparisons herein adduced. It should be stated, that the total entries of 1862 fell off but 18 per cent. from those of 1861; while of the articles on which the duties were heavily increased, the entries fell off 25, 40, and 75 per cent.—after

But suppose the objection made in reference to this period be admitted to have full force, this does not dispose of the falling off from 1864 to 1865, following the tariff of June 30, 1864. The war came to a close in 1865, the total entries in that year amounted in value to but \$249,000,000 gold, while in 1864 they had reached \$330,000,000, a falling off of 25 per cent. It is deemed a bad rule that does not work both ways, but what shall be thought?

Without multiplying illustrations, it is contended that the principle laid down at the outset of this Report—namely, that the importation of a commodity cannot be permanently checked by means of an increase of duties, and consequently that permanent protection is impracticable—has been fully proved; in other words, that it is not possible by means of a tariff of duties to alter those relative conditions

all, naturally exist between a commodity manufactured abroad and in this country, no matter what those conditions may be. The statistics adduced are of the highest authority, and their correctness cannot be questioned. The quantities were derived from the liquidated entries, and were those upon which the duties were finally predicated, and upon which were based the cash settlements of the collectors of customs with the Treasury Department.

inductions they present is, that the duties are not high enough yet, and that if they are placed still higher, they will effect the object sought after. The insufficiency of this reply is obvious enough when it is recollected that the present duties are the result of some thirty or forty consecutive attempts to secure protection by means of the tariff. The first of these attempts made in 1789, consisted of a duty of five per cent. upon all iron. This rate was

equalize the difference between foreign and domestic iron, and to secure a home monopoly to the latter. In the following year this rate was raised to seven and half per cent, on manufactured iron; in 1792, to ten per cent, on all iron; in 1794 to fifteen per cent; in 1804, to seventeen and a half per cent; in 1812, to thirty per cent.; in 1816, to still higher rates; in 1824, to still higher rates; in 1828 to still higher rates, namely, \$12.50 per ton on

A still further inference, one of no little importance, is that the duty on iron, and 25 per cent on other manufactures of iron; when they were afterwards lowered, and, alternately increased, through a long series of years, until they were at last raised up to the exorbitant rates shown in the foregoing tables, and always with the same result, namely, the recurrence of the importation after a short period following the imposition of the increase in duty.

derived from these statistics. If, as is believed to be fully proved, the tariff is incompetent to effect a permanent home monopoly to their manufacturers, it follows that such of them as have continued to exist at all, have existed without assistance from the tariff, and consequently are able to exist in future without any assistance, real or supposed, from this source. In point of fact, they exist despite the tariff, because an increase of duties is seldom

ufacturers to some, often to a very considerable expense; and upon farther consideration does it not seem, strange that in a country where there are large deposits

appears not stand pancey-mancey, but rather the rejection of any other consideration in connection with the amount and source of the public revenues but those in the interest of the people at large.

I am, sir, yours respectfully,  
**ALEXANDER DILENAE, Director.**

**DISTILLATION.**—The origin of this art is extremely obscure. It appears, that when at sea, the Phœnicians used, in extreme cases, to get potable water by boiling that of the sea, and collecting the steam in sponges. It is also related, that a monk, of the name of Marcus, who belonged to the suite of St. Meri, collected the

vapor of benzoin, in a piece of parchment, and he sent the soldiers at the siege of Rheims; with the same liquid, mixed with honey, he would make a cordial for the dying, and it seems that the great Clovis himself did not disdain taking it. When alchemies were discovered, it was exactly known; but it is not the same as the wine-water of Paracelsus, or Arnaldo Villanoano, professor of medicine at Montpellier, was the first to improve the rude apparatus then in use for distillation, an art which he seriously studied and promoted. He wrote several volumes on his labors, and states, among other things, that by a certain process he had obtained a wine-water, prepared from wine, which has neither its color nor its usual effects. This wine-water, is a water of immortality, since it prolongs the days of man, dissipates peccant humors, revivifies the heart, and keeps up youth. It cures the colic, dropsy, paralysis, etc. Arnaldo Villanoano was a physician of the famous Leonard Lulle, who became the most celebrated alchemist of the middle ages. He con-

thruce. He was, however, not  
succeeded in obtaining fire-spirit, or alcohol.  
Hav'ing fallen in love with a beautiful  
maiden, and paid his addresses to her  
for some time in vain, she at length dis-  
covered to him the fact that she was suffer-  
ing from an incurable cancer. He was  
so struck with horror at this, that he es-  
caped to his native village, where he spent  
his days in the most unprofitable manner,  
directing her to dress the sore with alcohol.  
The remedy proved of no avail, but this  
was the first instance of the new liquid  
being applied to the healing art. Distilla-  
tion soon spread, and the wines of the  
Charante were submitted to the examina-  
tion of the various royal academies, and  
police regulations soon restricted the sale  
to a few privileged persons. The distillers  
and vinegar manufacturers were incorpo-  
rated by Louis XII., in 1514, and invested  
with the sole right of making brandy and  
spirits of wine.—Paris Galignani.

writing about the late Daniel Lord, says: "Among other important clients, Mr. Lord could show the name of John Jacob Astor, who entrusted to him the important task of drawing his will—a document of great value, and which, in fact, was one of the most important trusts. Mr. Lord was also one of the executors, and his share of the fees in this matter alone, was \$10,000. Speaking of lawyers, we may state that most of this class have a speculating turn, and most of their profit is due to outside speculation. In the city of New York, many of the city lots are to be found in this professional class. One of these, James R. Whiting, power owns Broadway property which rents for \$27,000. F. F. Bradbury is another specialist lawyer, who reports an income of \$35,000 per annum. But these lawyers are not much better than the rest of the city, which are not always entirely so dealt in. The New York bar has been severely bereaved during the past three

ted by death. One of these was Wm. C. Noyes, another was John Van Buren, and the third is Daniel Lord. The fees received by these men in several important cases might surprise some of our readers. \$10,000 was paid to the undersigned in a case of no great importance, and this sum was paid to Mr. Martin, who defended the Jumel will case, while Mr. O'Connor, who brought the suit and won it, probably received \$50,000. A fee of \$50,000 was paid to the leading counsel in the Howe will case, and in the case of the estate of a deceased property of \$2,000,000, about \$200,000 were paid out for fees and expenses.

How Tom LICKED BILL—I'll tell you how it was. You see me and Bill went down to Turner's tobacco manufactory and fished of that boat, but we didn't catch any; I got out, and Bill and I went to a garden, and didn't. Well, I felt in my pocket and found my knife, and it was gone, and I said to Bill

[illegible]

good old man looked steady at him a moment and exclaimed:—"Darn your apologies, you needn't stand there you eternal critter, bowin' and scrapin' you did it on purpose, darn your curly pictur!"